

# G

## Financing and Other



# Debt Service

Repayment of Loans and Interest  
Short-Term Borrowings  
Certificates of Participation

Description	FY 2004 Approved	FY 2005 Proposed	% Change
Repayment of Loans and Interest	\$311,504,128	\$347,700,000	11.6%
Short-Term Borrowing	\$3,000,000	\$ 4,000,000	33.3%
Certificates of Participation	\$ 4,911,075	\$15,252,000	210.6%

The purpose of Debt Service administration is to finance the District's capital and cash flow needs and minimize the costs associated with such financing, and to exercise fiscally responsible debt management practices and make timely payment of all principal and interest when due.

Timely debt service payments are necessary to satisfy the District's commitments to its investors (bondholders and financing institutions) and maintain good credit standing in the financial markets.

Under the District of Columbia Home Rule Act, the District may issue debt to finance capital projects or seasonal cash needs, subject to certain limitations.

Specifically, no long-term (general obligation) debt may be issued that would cause the payment of principal and interest in any year on all long-term debt to exceed 17 percent of the projected revenue of the fiscal year in which the debt is issued. No short-term (general obligation) debt may be issued in an amount that would cause total outstanding short-term debt to exceed 20 percent of the projected revenue of the fiscal year in which the debt is issued. Short-term debt must be repaid by the end of the fiscal year in which it is issued.

As of September 30, 2003, long-term debt service represented 7.5 percent of revenue, a decrease from 7.8 percent as of September 30, 2002. The District's total outstanding long-term debt as of September 30, 2003, was \$3.25 billion. The District issued \$150 million of short-term debt in FY 2003, and repaid the debt by September 30, 2003 as required. The District issued \$250 million of short-term debt in FY 2004, which will be repaid by September 30, 2004.

Appropriations are budgeted from Local funds in amounts sufficient to meet the required payments for the various types of debt service.

## Funding by Source

Tables DS0-1, ZA0-1, and CP0-1 show the sources of funding by fund type for Debt Service.

Table DS0-1

### FY 2005 Proposed Operating Budget, by Revenue Type

(dollars in thousands)

#### Repayment of Loans and Interest

Appropriated Fund	Actual FY 2002	Actual FY 2003	Approved FY 2004	Proposed FY 2005	Change from FY 2004	Percent Change
Local Fund	233,251	250,649	311,504	347,700	36,196	11.6
<b>Total for General Fund</b>	<b>233,251</b>	<b>250,649</b>	<b>311,504</b>	<b>347,700</b>	<b>36,196</b>	<b>11.6</b>
<b>Gross Funds</b>	<b>233,251</b>	<b>250,649</b>	<b>311,504</b>	<b>347,700</b>	<b>36,196</b>	<b>11.6</b>

Table ZA0-1

(dollars in thousands)

#### Short-Term Borrowings

Appropriated Fund	Actual FY 2002	Actual FY 2003	Approved FY 2004	Proposed FY 2005	Change from FY 2004	Percent Change
Local Fund	0	3,288	3,000	4,000	1,000	33.3
<b>Total for General Fund</b>	<b>0</b>	<b>3,288</b>	<b>3,000</b>	<b>4,000</b>	<b>1,000</b>	<b>33.3</b>
<b>Gross Funds</b>	<b>0</b>	<b>3,288</b>	<b>3,000</b>	<b>4,000</b>	<b>1,000</b>	<b>33.3</b>

Table CP0-1

(dollars in thousands)

#### Certificates of Participation

Appropriated Fund	Actual FY 2002	Actual FY 2003	Approved FY 2004	Proposed FY 2005	Change from FY 2004	Percent Change
Local Fund	7,924	2,280	4,911	11,252	6,341	129.1
<b>Total for General Fund</b>	<b>7,924</b>	<b>2,280</b>	<b>4,911</b>	<b>11,252</b>	<b>6,341</b>	<b>129.1</b>
Intra-District Fund	0	0	0	4,000	4,000	N/A
<b>Total for Intra-District Funds</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,000</b>	<b>4,000</b>	<b>N/A</b>
<b>Gross Funds</b>	<b>7,924</b>	<b>2,280</b>	<b>4,911</b>	<b>15,252</b>	<b>10,341</b>	<b>210.6</b>

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## Expenditures by Comptroller Source Group

Tables DS0-2, ZA0-2, and CP0-2 show the FY 2005 proposed budget for the agency at the Comptroller Source Group level (Object Class level).

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Table DS0 - 2

### FY 2005 Proposed Operating Budget, by Comptroller Source Group

(dollars in thousands)

Comptroller Source Group	Actual FY 2002	Actual FY 2003	Approved FY 2004	Proposed FY 2005	Change from FY 2004	Percent Change
80 Debt Service	0	250,039	311,504	347,700	36,196	11.6
82 Debt Svc Princ Retired GAAP	112,262	0	0	0	0	0.0
84 Debt Svc Interest GAAP	116,245	610	0	0	0	0.0
85 Debt Svc Fisc Chrg Refund GAAP	4,744	0	0	0	0	0.0
<b>Subtotal Nonpersonal Services (NPS)</b>	<b>233,251</b>	<b>250,649</b>	<b>311,504</b>	<b>347,700</b>	<b>36,196</b>	<b>11.6</b>
<b>Total Proposed Operating Budget</b>	<b>233,251</b>	<b>250,649</b>	<b>311,504</b>	<b>347,700</b>	<b>36,196</b>	<b>11.6</b>

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Table ZA0-2

(dollars in thousands)

### Short-Term Borrowings

Comptroller Source Group	Actual FY 2002	Actual FY 2003	Approved FY 2004	Proposed FY 2005	Change from FY 2004	Percent Change
80 Debt Service	0	3,288	3,000	4,000	1,000	33.3
<b>Subtotal Nonpersonal Services (NPS)</b>	<b>0</b>	<b>3,288</b>	<b>3,000</b>	<b>4,000</b>	<b>1,000</b>	<b>33.3</b>
<b>Total Proposed Operating Budget</b>	<b>0</b>	<b>3,288</b>	<b>3,000</b>	<b>4,000</b>	<b>1,000</b>	<b>33.3</b>

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Table CP0-2

(dollars in thousands)

### Certificates of Participation

Comptroller Source Group	Actual FY 2002	Actual FY 2003	Approved FY 2004	Proposed FY 2005	Change from FY 2004	Percent Change
80 Debt Service	7,924	2,280	4,911	15,252	10,341	210.6
<b>Subtotal Nonpersonal Services (NPS)</b>	<b>7,924</b>	<b>2,280</b>	<b>4,911</b>	<b>15,252</b>	<b>10,341</b>	<b>210.6</b>
<b>Total Proposed Operating Budget</b>	<b>7,924</b>	<b>2,280</b>	<b>4,911</b>	<b>15,252</b>	<b>10,341</b>	<b>210.6</b>

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## Gross Funds

The proposed budget is \$366,952,000, representing an increase of \$47,536,797 or 15.0 percent from the FY 2004 approved budget of \$319,415,203. There are no FTEs for this agency.

## General Fund

**Local Funds.** The proposed budget for Repayment of Loans and Interest is \$347,700,000, an increase of \$36,195,872 from the FY 2004 approved budget of \$311,504,128. For Short-Term Borrowings, the proposed Local budget is \$4,000,000, an increase of \$1,000,000 from FY 2004. For the Certificates of Participation, the proposed Local fund budget is \$11,252,000, an increase of \$6,340,925 from FY 2004.

Debt Service represents principal and interest payments associated with the District's financing activities. Consistent with prudent fiscal policies, the District finances the construction or acquisition of capital assets by issuing debt, such that its long-term capital assets are paid for over the course of their useful lives by the current and future-year taxpayers that benefit from such assets. Debt Service for the District includes payments associated with three different financing methods:

- **Repayment of Loans and Interest (DS0)** represents debt service (principal and interest) and related costs on long-term general obligation bonds, which are associated with the District's borrowings to finance capital improvement projects for General Fund agencies. For FY 2005, the proposed level of debt service for Repayment of Loans and Interest totals \$347,700,000.

- **Short-Term Borrowings (ZA0)** represents interest and related costs associated with District borrowings to meet short-term seasonal cash needs. For FY 2005, the proposed debt service for financing costs for short-term borrowing totals \$4,000,000.
- **Certificates of Participation (CP0)** represent semi-annual lease (principal and interest) payments and related costs due on land for the One Judiciary Square building at 441 4th Street, NW and on the Unified Communications Center on the East Campus of St. Elizabeths Hospital. For FY 2005, the proposed debt service for the Certificates of Participation totals \$11,252,000.

## Intra-District Fund

**Intra-District Funds** - The proposed budget for Certificates of Participation is \$4,000,000, an increase of \$4,000,000 from the approved FY 2004 budget. The increase is associated with the financing of the Unified Communications Center.

# Settlements and Judgments

Description	FY 2003 Actual	FY 2004 Approved	FY 2005 Proposed	% Change from FY 2004
Operating Budget	\$23,715,997	\$22,522,000	\$20,270,000	-10.0

The purpose of the Settlements and Judgments (S&J) fund is to provide the fiscal resources to settle claims and lawsuits and pay judgments in most types of civil cases filed against the District of Columbia.

Beginning FY 2004, the D.C. Office of Risk Management (DCORM) assumed administrative oversight of the Settlements and Judgments fund. DCORM strives to reduce the District's overall cost of risk by integrating agency programs of systematic risk identification and analysis, selecting and implementing appropriate risk control strategies and prudently financing anticipated and incurred losses into a District government integrated risk management program.

The S&J fund was created from a need to address increased litigation against the District government during the last 25 years. The fund has been part of the District's annual appropriation for many years, formerly managed and administered by the Office of Corporation Counsel (OCC), now known as the Office of the Attorney General for the District of Columbia (OAG). Although the administration of the fund is the responsibility of the DCORM which makes all final decisions about use of the fund, the fund is distinct and separate from the DCORM's operating budget.

The DCORM generally assesses the potential exposure to the District government in cases and claims paid through the S&J fund by review-

ing the facts and the applicable law pertinent to such cases. A recommendation to settle or litigate a case originates with the assistant corporation counsel assigned to the case. Depending on the amount of settlement authority requested, the recommendation is reviewed and approved by several supervisors within OAG and DCORM. The authority to settle a case is limited to \$500,000; for amounts greater than \$500,000, approval of the settlement decision rests with the Mayor.

The agency plans to fulfill its mission by achieving the following strategic result goals:

- Formalize the philosophy, policies and procedures for prudent and professional financing of identified risks and incurred losses.
- Refine the capturing of core data electronically to enhance timeliness and quality of service delivery and response to information requests.
- Implement the DCORM core business process of Claims Management with cooperative litigation support for OAG.

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## Funding by Source

Table ZH0-1 shows the sources of funding for the Settlements and Judgments.

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Table ZH0-1

### FY 2005 Proposed Operating Budget, by Revenue Type

(dollars in thousands)

Appropriated Fund	Actual FY 2002	Actual FY 2003	Approved FY 2004	Proposed FY 2005	Change from FY 2004	Percent Change
Local Fund	31,360	23,356	22,522	20,270	-2,252	-10.0
<b>Total for General Fund</b>	<b>31,360</b>	<b>23,356</b>	<b>22,522</b>	<b>20,270</b>	<b>-2,252</b>	<b>-10.0</b>
Federal Payments	0	360	0	0	0	0.0
<b>Total for Federal Resources</b>	<b>0</b>	<b>360</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>
<b>Gross Funds</b>	<b>31,360</b>	<b>23,716</b>	<b>22,522</b>	<b>20,270</b>	<b>-2,252</b>	<b>-10.0</b>

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## Expenditure by Comptroller Source Group

Table ZH0-2 shows the FY 2005 proposed budget for the agency at the Comptroller Source Group level (Object Class level).

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Table ZH0-2

### FY 2005 Proposed Operating Budget, by Comptroller Source Group

(dollars in thousands)

Comptroller Source Group	Actual FY 2002	Actual FY 2003	Approved FY 2004	Proposed FY 2005	Change from FY 2004	Percent Change
40 Other Services and Charges	31,360	23,716	22,522	20,270	-2,252	-10.0
<b>Subtotal Nonpersonal Services (NPS)</b>	<b>31,360</b>	<b>23,716</b>	<b>22,522</b>	<b>20,270</b>	<b>-2,252</b>	<b>-10.0</b>
<b>Total Proposed Operating Budget</b>	<b>31,360</b>	<b>23,716</b>	<b>22,522</b>	<b>20,270</b>	<b>-2,252</b>	<b>-10.0</b>

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## Gross Funds

The proposed budget is \$20,270,000, representing a reduction of 10.0 percent from the FY 2004 approved budget of \$22,522,000. There are no FTEs for the agency, which represents no change from FY 2004.

## General Fund

**Local Funds.** The proposed budget is \$20,270,000, representing a change of 10.0 percent from the FY 2004 approved budget of \$22,522,000. The sole change is a decrease of \$2,252,000 in other services due to a significant

decline in claims and lawsuits against the District in recent years. This decrease is expected to continue as a result of improved risk management efforts put in place by the Office of Risk Management.

## Programs

The D.C. Office of Risk Management anticipates less than 1,200 new lawsuits in FY 2005. DCORM also anticipates less than 2,500 claims to be filed in FY 2005.



# John A. Wilson Building Fund

## 1350 Pennsylvania Avenue, NW

Description	FY 2003 Actual	FY 2004 Approved	FY 2005 Proposed	% Change from FY 2004
Operating Budget	\$3,874,969	\$3,703,737	\$3,633,152	-1.9

The purpose of the John A. Wilson Building Fund is to provide an efficient, clean and safe working environment for District employees in a modernized historic building nearly a century old.

Easily accessible to the public, the Wilson Building is an emblem of District pride showcased on the elegant Pennsylvania Avenue corridor within the Federal Triangle, just blocks from the White House.

After a five-year renovation, expansion and restoration, the Wilson Building re-opened to acclaim in late 2001. Built in 1904 and later named after the long-term District Council member and Chairman, John A. Wilson, the building had suffered from years of neglect and was closed in 1996. But preservation-minded District officials emerged with a re-development plan, and starting in 1996, the Wilson Building underwent renovation based on plans from architect Shalom Baranes. The result is a modern workplace for District government that retains much of its historic flavor and texture.

Located in the building are the Executive Office of the Mayor, the Council of the District of Columbia, the Office of the Chief Financial Officer, and a number of other District agencies. The Wilson Building will serve the District for many years, while preserving a link to the past.

### Gross Funds

The proposed budget is \$3,633,152, representing a decrease of \$70,585 or 1.9 percent from the FY 2004 approved budget of \$3,703,737. There are no FTEs supported by this fund.

### General Fund

**Local Funds.** The proposed budget is \$3,633,152, representing a decrease of \$70,585 or 1.9 percent from the FY 2004 approved budget of \$3,703,737. There are no FTEs supported by this fund.

Changes from the FY 2004 approved budget are:

- A net decrease of \$70,585 in fixed costs (energy, rentals, and security) based on projected usage and estimates from OPM. The decrease is comprised of a reduction of \$455,000, due to a reassessment of the costs associated with the maintenance contract, and an increase of \$384,415 in energy and security services.
- A redirection of \$69,495 within nonpersonal services from rentals to other services and charges to properly account for postage costs.

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## Funding by Source

Table ZZ0-1 shows the source(s) of funding for the John A. Wilson Building Fund.

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Table ZZ0-1

### FY 2005 Proposed Operating Budget, by Revenue Type

(dollars in thousands)

Appropriated Fund	Actual FY 2002	Actual FY 2003	Approved FY 2004	Proposed FY 2005	Change from FY 2004	Percent Change
Local Fund	5,945	3,875	3,704	3,633	-71	-1.9
<b>Total for General Fund</b>	<b>5,945</b>	<b>3,875</b>	<b>3,704</b>	<b>3,633</b>	<b>-71</b>	<b>-1.9</b>
<b>Gross Funds</b>	<b>5,945</b>	<b>3,875</b>	<b>3,704</b>	<b>3,633</b>	<b>-71</b>	<b>-1.9</b>

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## Expenditure by Comptroller Source Group

Table ZZ0-2 shows the FY 2005 proposed budget for the agency at the Comptroller Source Group level (Object Class level).

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Table ZZ0-2

### FY 2005 Proposed Operating Budget, by Comptroller Source Group

(dollars in thousands)

Comptroller Source Group	Actual FY 2002	Actual FY 2003	Approved FY 2004	Proposed FY 2005	Change from FY 2004	Percent Change
30 Energy, Comm. and Bldg Rentals	0	0	553	660	108	19.5
32 Rentals - Land and Structures	3,910	2,021	1,235	711	-524	-42.4
34 Security Services	2,038	1,854	1,916	2,192	276	14.4
40 Other Services and Charges	61	0	0	69	69	100.0
70 Equipment & Equipment Rental	-64	0	0	0	0	0.0
<b>Subtotal Nonpersonal Services (NPS)</b>	<b>5,945</b>	<b>3,875</b>	<b>3,704</b>	<b>3,633</b>	<b>-71</b>	<b>-1.9</b>
<b>Total Proposed Operating Budget</b>	<b>5,945</b>	<b>3,875</b>	<b>3,704</b>	<b>3,633</b>	<b>-71</b>	<b>-1.9</b>

# Workforce Investments

Description	FY 2003 Actual	FY 2004 Approved	FY 2005 Proposed	% Change from FY 2004
Operating Budget	\$0	\$22,308,000	\$38,114,221	70.9

The purpose of Workforce Investments is to pay compensation increases for nonunion and union District employees.

Each year, the District budgets an amount for Workforce Investments for pay raises and reforms that are expected in the budgeted year, but are not finalized. Employees covered and the dollar amounts vary from year to year, depending on what compensation changes are finalized or are still outstanding. The Office of Budget and Planning develops estimates for the Workforce Investments budget in consultation with the D.C. Office of Personnel and the Office of Labor Relations and Collective Bargaining.

## Gross Funds

The proposed budget is \$38,114,221, representing an increase of \$15,806,221 or 70.9 percent from the FY 2004 approved budget of \$22,308,000. There are no FTEs for the agency, representing no change from FY 2004.

## General Fund

**Local Funds.** The proposed budget is \$38,114,221, representing an increase of 70.9 percent from the FY 2004 budget of \$22,308,000. There are no FTEs for the agency, representing no change from FY 2004.

Change from the FY 2004 approved budget is:

- An increase of \$15,806,221 in salaries and fringe benefits from anticipated labor cost changes, which includes a nonunion raise of 3.5 percent effective July 2005.

## Programs

This fund contains money to cover labor cost increases that were anticipated but were not yet approved by the Council prior to the submission of the FY 2005 budget to Congress. These labor cost increases can include negotiated wage agreements with the District's unions, nonunion wage increases, and labor costs associated with District-wide classification and compensation reforms. The D.C. Public Schools and the University of the District of Columbia (except for employees in Compensation Units 1, 2, and 15) are not included in the cost estimates for this fund because they do not follow the Mayor's pay authority.

The Office of Labor Relations and Collective Bargaining, within the Office of the City Administrator, is the lead agency in representing the District in union labor negotiations, arbitrations, and other labor matters. The D.C. Office of Personnel is the lead agency for handling pay increases for nonunion employees under the pay authority of the Mayor. Once a labor agreement between the District and a union has been reached, or a nonunion pay increase is proposed, the Mayor submits the proposals to the Council for consideration. After the Council approves a pay proposal, the appropriate funding is transferred from Workforce Investments to the affected agencies for distribution to employees.

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## Funding by Source

Table UP0-1 shows the source of funding by fund type for Workforce Investments.

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Table UP0-1

### FY 2005 Proposed Operating Budget, by Revenue Type

(dollars in thousands)

Appropriated Fund	Actual FY 2002	Actual FY 2003	Approved FY 2004	Proposed FY 2005	Change from FY 2004	Percent Change
Local Fund	0	0	22,308	38,114	15,806	70.9
<b>Total for General Fund</b>	<b>0</b>	<b>0</b>	<b>22,308</b>	<b>38,114</b>	<b>15,806</b>	<b>70.9</b>
<b>Gross Funds</b>	<b>0</b>	<b>0</b>	<b>22,308</b>	<b>38,114</b>	<b>15,806</b>	<b>70.9</b>

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## Expenditures by Comptroller Source Group

Table UP0- 2 shows the FY 2005 proposed budget for the agency at the Comptroller Source Group level (Object Class level).

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Table UP0-2

### FY 2005 Proposed Operating Budget, by Comptroller Source Group

(dollars in thousands)

Comptroller Source Group	Actual FY 2002	Actual FY 2003	Approved FY 2004	Proposed FY 2005	Change from FY 2004	Percent Change
11 Regular Pay - Cont Full Time	0	0	18,811	29,864	11,052	58.8
13 Additional Gross Pay	0	0	265	3,223	2,959	1,117.9
14 Fringe Benefits - Curr Personnel	0	0	2,614	4,018	1,404	53.7
15 Overtime Pay	0	0	618	1,009	391	63.3
<b>Subtotal Personal Services (PS)</b>	<b>0</b>	<b>0</b>	<b>22,308</b>	<b>38,114</b>	<b>15,806</b>	<b>70.9</b>
<b>Total Proposed Operating Budget</b>	<b>0</b>	<b>0</b>	<b>22,308</b>	<b>38,114</b>	<b>15,806</b>	<b>70.9</b>

# Non-Departmental

Description	FY 2003 Actual	FY 2004 Approved	FY 2005 Proposed	% Change from FY 2004
Operating Budget	\$0	\$19,638,898	\$13,946,030	-29.0

Non-Departmental accounts provide for anticipated costs that were not allocated to specific agencies during the development of the proposed budget to ensure that specific use requirements are met.

Use of a non-departmental account is a common practice to include specific costs, while providing the flexibility to project, budget, and allocate these costs. In FY 2005, Non-Departmental will improve the Office of Budget and Planning's budget formulation process by ensuring certain use criteria are met by agencies before the funds are released to those agencies.

## Gross Funds

The proposed gross funds budget is \$13,946,030, representing a decrease of \$5,692,868 or 29.0 percent from the FY 2004 approved budget of \$19,638,898. There are no FTEs for the agency, representing no change from FY 2004.

## General Fund

**Local Funds.** The proposed budget is \$4,000,000, representing a decrease of \$7,455,282 or 65.1 percent from the FY 2004 budget of \$11,455,282. There are no FTEs for the agency, representing no change from FY 2004.

A change from the FY 2004 approved budget is:

- A decrease of \$7,455,282 for costs associated with the No Child Left Behind Act. The remaining \$4,000,000 will be divided between D.C. Public Schools and Public Charter Schools.

**Special Purpose Revenue Funds.** The proposed budget is \$9,946,030, representing an increase of \$1,762,414 or 21.5 percent over the FY 2004 budget of \$8,183,616. There are no FTEs for the agency, representing no change from FY 2004.

A change from the FY 2004 approved budget is:

- An increase of \$1,762,414 for a contingency fund. An amount of \$9,946,030 is proposed as a contingency for potential Special Purpose Revenue expenditures whose amounts are less than the anticipated revenue receipts at the time the budget was transmitted to Congress.

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## Funding by Source

Table DO0-1 shows the source(s) of funding for Non-Departmental.

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Table D00-1

### FY 2005 Proposed Operating Budget, by Revenue Type

(dollars in thousands)

Appropriated Fund	Actual FY 2002	Actual FY 2003	Approved FY 2004	Proposed FY 2005	Change from FY 2004	Percent Change
Local Fund	0	0	11,455	4,000	-7,455	-65.1
Special Purpose Revenue Fund	0	0	8,184	9,946	1,762	21.5
<b>Total for General Fund</b>	<b>0</b>	<b>0</b>	<b>19,639</b>	<b>13,946</b>	<b>-5,693</b>	<b>-29.0</b>
<b>Gross Funds</b>	<b>0</b>	<b>0</b>	<b>19,639</b>	<b>13,946</b>	<b>-5,693</b>	<b>-29.0</b>

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## Expenditures by Comptroller Source Group

Table DO0-2 shows the FY 2005 proposed budget for the agency at the Comptroller Source Group level (Object Class level).

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Table D00 -2

### FY 2005 Proposed Operating Budget, by Comptroller Source Group

(dollars in thousands)

Comptroller Source Group	Actual FY 2002	Actual FY 2003	Approved FY 2004	Proposed FY 2005	Change from FY 2004	Percent Change
50 Subsidies and Transfers	0	0	19,639	13,946	-5,693	-29.0
<b>Subtotal Nonpersonal Services (NPS)</b>	<b>0</b>	<b>0</b>	<b>19,639</b>	<b>13,946</b>	<b>-5,693</b>	<b>-29.0</b>
<b>Total Proposed Operating Budget</b>	<b>0</b>	<b>0</b>	<b>19,639</b>	<b>13,946</b>	<b>-5,693</b>	<b>-29.0</b>

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# Tobacco Settlement Trust Fund

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Description	FY 2003 Actual	FY 2004 Approved	FY 2005 Proposed	% Change from FY 2004
Operating Budget	0	0	\$0	-

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The purpose of the Tobacco Settlement Trust Fund is to provide for the transfer of funds realized through the financing of the Master Settlement Agreement with the tobacco industry.

The Tobacco Settlement Trust Fund consists of debt service savings derived from the securitization of Tobacco Settlement payments to the District. The 2001 District of Columbia Appropriations Act, as amended, required that all debt service savings be transferred to the Emergency Fund each year until the fund is fully funded, enabling use of these funds by the District during FY 2005. Half the funds from the Tobacco Trust Fund are dedicated to programs, the other half for investment for future use.

## Gross Funds

The proposed Gross Funds budget is \$0, representing no change from the FY 2004 budget. There are no FTEs for this account.

## General Fund

**Local Funds.** In FY 2005, no funds are provided for the Tobacco Settlement Trust Fund.

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## Funding by Source

Table TT0-1 shows the source of funding for the Tobacco Settlement Trust fund.

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Table TT0-1

### FY 2005 Proposed Operating Budget, by Revenue Type

(dollars in thousands)

Appropriated Fund	Actual FY 2002	Actual FY 2003	Approved FY 2004	Proposed FY 2005	Change from FY 2004	Percent Change
Local Fund	0	0	0	0	0	0
<b>Total for General Fund</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Gross Funds</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

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## Expenditure by Comptroller Source Group

Table TT0-2 shows the FY 2005 proposed budget for the agency at the Comptroller Source Group level (Object Class level).

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Table TT0-2

### FY 2005 Proposed Operating Budget, by Comptroller Source Group

(dollars in thousands)

Comptroller Source Group	Actual FY 2002	Actual FY 2003	Approved FY 2004	Proposed FY 2005	Change from FY 2004	Percent Change
50 Subsidies and Transfers	0	0	0	0	0	0
<b>Subtotal Nonpersonal Services (NPS)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Proposed Operating Budget</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



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# One-Time Expenditures

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Description	FY 2003 Actual	FY 2004 Approved	FY 2005 Proposed	% Change from FY 2004
Operating Budget	\$0	\$11,267,280	\$0	N/A

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The purpose of the One-Time Expenditures fund is to serve as a budget stabilization measure to allow the District to spend money on items to improve service delivery for residents, while not expanding the base budget.

## Gross Funds

The proposed gross funds budget is \$0 which is a \$11,267,280 or a 100 percent decrease from the FY 2004 approved budget of \$11,267,280. There are no FTEs supported by this fund.

## General Fund

**Local Funds.** The proposed budget is \$0. There are no FTEs associated with this agency. In FY 2004, the One-Time Expenditures fund served as a contingency reserve to cover unanticipated costs determined and certified by the District's Chief Financial Officer. For FY 2005, the one-time expenditure funds are not needed.

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## Funding by Source

Table TE0-1 shows the sources of funding by fund type for the One-Time Expenditures.

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Table TE0-1

### FY 2005 Proposed Operating Budget, by Revenue Type

(dollars in thousands)

Appropriated Fund	Actual FY 2002	Actual FY 2003	Approved FY 2004	Proposed FY 2005	Change from FY 2004	Percent Change
Local Fund	0	0	11,267	0	-11,267	N/A
<b>Total for General Fund</b>	<b>0</b>	<b>0</b>	<b>11,267</b>	<b>0</b>	<b>-11,267</b>	<b>N/A</b>
<b>Gross Funds</b>	<b>0</b>	<b>0</b>	<b>11,267</b>	<b>0</b>	<b>-11,267</b>	<b>N/A</b>

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## Expenditures by Comptroller Source Group

Table TE0-2 shows the FY 2005 proposed budget for the agency at the Comptroller Source Group level (Object Class level).

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Table TE0-2

### FY 2005 Proposed Operating Budget, by Comptroller Source Group

(dollars in thousands)

Comptroller Source Group	Actual FY 2002	Actual FY 2003	Approved FY 2004	Proposed FY 2005	Change from FY 2004	Percent Change
50 Subsidies and Transfers	0	0	11,267	0	-11,267	N/A
<b>Subtotal Nonpersonal Services (NPS)</b>	<b>0</b>	<b>0</b>	<b>11,267</b>	<b>0</b>	<b>-11,267</b>	<b>N/A</b>
<b>Total Proposed Operating Budget</b>	<b>0</b>	<b>0</b>	<b>11,267</b>	<b>0</b>	<b>-11,267</b>	<b>N/A</b>

# Emergency Planning and Security Fund

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Description	FY 2003 Actual	FY 2004 Approved	FY 2005 Proposed	% Change from FY 2004
Operating Budget	\$10,624,000	\$10,935,100	\$15,000,000	37.2

The Emergency Planning and Security Fund is designated for the federal payment for emergency planning and security costs in the District of Columbia.

The District serves as the primary seat of the executive, legislative, and judicial branches of government. The District also hosts a number of foreign embassies, diplomatic missions, non-governmental organizations and international organizations, including the International Monetary Fund (IMF)/World Bank. The presence of these high-profile institutions has led to the District's being the focus of public safety related events. In the past three years, the District has experienced the effects of September 11, Department of Homeland Security, Elevated (Orange) Threat conditions, IMF/World Bank protests, sniper activity, and antiwar demonstrations.

District government expenditure is required to contain these public safety related events, and the President has designated this federal payment to reimburse the District. Notice of any proposed use of these federal payment funds is to be transmitted by the President to Congress. Expenditure of funds is to be determined by the Mayor in written consultation with elected county or city officials of surrounding jurisdictions. Funds provided under this heading remain available until expended.

The status of emergency planning and security funds, which were appropriated to the District of Columbia as a federal payment in FY 2003 and FY 2004, is as follows:

<b>FY 2003 Approved Budget</b>	<b>\$14,902,500</b>
<b>FY 2003 Approved Expenditures</b>	
Metropolitan Police Department	7,061,212
Fire and Emergency Services	3,450,000
D.C. Emergency Management Agency	112,661
<b>Balance carried forward to FY 2004</b>	<b>4,278,627</b>
FY 2004 Approved Budget	\$10,935,100*
<b>Total Available FY 2004</b>	<b>\$15,213,727</b>

\*Reflects 0.59 percent federal rescission

The President's FY 2005 budget proposes a federal payment to the District of Columbia for emergency planning and security as follows:

"For necessary expenses, as determined by the Mayor of the District of Columbia in written consultation with the elected county or city officials of surrounding jurisdictions, \$15,000,000, to remain available until expended, to reimburse the District of Columbia for the costs of providing public safety at events related to the presence

of the national capital in the District of Columbia and for the costs of providing support to respond to immediate and specific terrorist threats or attacks in the District of Columbia or surrounding jurisdictions: provided that any amount stipulated under this heading shall be available only after notice of its proposed use has been transmitted by the President to Congress and such amount has been apportioned pursuant to chapter 15 of title 31, United States Code. (Division C, H.R. 2673, Consolidated Appropriations Bill, 2004.)"

## Gross Funds

The proposed budget is \$15,000,000, representing a change of \$4,064,900, or 37.2 percent over the FY 2004 approved budget of \$10,935,100. No FTEs are supported by this budget, which represents no change from FY 2004 approved budget.

## Federal Funds

The proposed budget is \$15,000,000, representing a change of 37.2 percent from the FY 2004 budget of \$10,935,100. No FTEs are supported by this budget, which represents no change from FY 2004.

The change from the FY 2004 approved budget is:

- An increase of \$4,064,900 based on the President's FY 2005 budget.

## Funding by Source

Table EP0-1 shows the source of funding for the Emergency Planning and Security Fund.

Table EP0-1

### FY 2005 Proposed Operating Budget, by Revenue Type

(dollars in thousands)

Appropriated Fund	Actual FY 2002	Actual FY 2003	Approved FY 2004	Proposed FY 2005	Change from FY 2004	Percent Change
Federal Payments	0	10,624	10,935	15,000	4,065	37.2
<b>Total for Federal Resources</b>	<b>0</b>	<b>10,624</b>	<b>10,935</b>	<b>15,000</b>	<b>4,065</b>	<b>37.2</b>
<b>Gross Funds</b>	<b>0</b>	<b>10,624</b>	<b>10,935</b>	<b>15,000</b>	<b>4,065</b>	<b>37.2</b>

## Expenditure by Comptroller Source Group

Table EP0-2 shows the FY 2005 proposed budget for the agency at the Comptroller Source Group level (Object Class level).

Table EP0-2

### FY 2005 Proposed Operating Budget, by Comptroller Source Group

(dollars in thousands)

Comptroller Source Group	Actual FY 2002	Actual FY 2003	Approved FY 2004	Proposed FY 2005	Change from FY 2004	Percent Change
50 Subsidies and Transfers	0	10,624	10,935	15,000	4,065	37.2
<b>Subtotal Nonpersonal Services (NPS)</b>	<b>0</b>	<b>10,624</b>	<b>10,935</b>	<b>15,000</b>	<b>4,065</b>	<b>37.2</b>
<b>Total Proposed Operating Budget</b>	<b>0</b>	<b>10,624</b>	<b>10,935</b>	<b>15,000</b>	<b>4,065</b>	<b>37.2</b>

# Tax Increment Financing (TIF) Program

Description	FY 2003 Actual	FY 2004 Approved	FY 2005 Proposed	% Change from FY 2004
Operating Budget	\$0	\$1,940,000	\$0	-100.0

Tax increment financing is a program by which the District provides economic development grants by borrowing against future tax receipts from funded projects.

The District established a tax increment financing (TIF) program in 1998 and authorized the issuance of up to \$300 million in debt to support economic development projects that would not be developed "but for" public financial assistance. The initiative was reauthorized by the "Tax Increment Financing Reauthorization Act of 2002."

## Gross Funds

The proposed budget is \$0, a decrease from the FY 2004 approved budget of \$1,940,000. There are no FTEs for the agency. This account will be kept active to provide additional funding in the event the dedicated tax stream is insufficient to cover the debt service.

## General Fund

**Local Funds.** The proposed budget is \$0, a decrease from the FY 2004 approved budget of \$1,940,000. There are no FTEs for the agency.

Changes from the FY 2004 approved budget are:

- The decrease to \$0 from the FY 2004 approved budget of \$1,940,000 is due to the sufficiency of anticipated revenues to cover the debt service and the requested authority to use funds from the District's fund balance to cover an unanticipated shortfall in TIF revenues as described below.

## Programs

The **Tax Increment Financing** program has three major projects: (1) the Gallery Place, (2) the Mandarin Oriental Hotel, and (3) the International Spy Museum.

Pursuant to Council Resolution 14-257, the District is required to establish a reserve to be used to meet the bond obligations associated with the Tax Increment Financing of the Gallery Place and Mandarin Projects. In the Fiscal Year 2005 Budget, the District is requesting authority to expend up to \$9,710,000 from the District's general fund balance as needed to meet this requirement.

- The Gallery Place is a mixed-use project. It was scheduled to open in November 2003, but will not open until the summer of 2004. The debt service payments associated with the Gallery Place project are \$5,201,489 in FY 2005.
- The Mandarin Oriental hotel has been under construction for the past two years and opened in March 2004. Its debt service payment in FY 2005 is \$4,504,125.
- The International Spy Museum includes a

requirement that the District use most of the sales tax generated by the attraction and a portion of the real property tax from the museum's property to pay for debt service. The estimated amount of the debt service payment for the International Spy Museum in FY 2005 is \$1,330,900. These debt service payments are to be made from the TIF Special Revenue Fund, which is outside of the General Fund, which is why the General Fund budget shown here is \$0.

## Funding by Source

Table TX0-1 shows the sources of funding for the TIF.

Table TX0-1

### FY 2005 Proposed Operating Budget, by Revenue Type

(dollars in thousands)

Appropriated Fund	Actual FY 2002	Actual FY 2003	Approved FY 2004	Proposed FY 2005	Change from FY 2004	Percent Change
Local Fund	0	0	1,940	0	-1,940	N/A
<b>Total for General Fund</b>	<b>0</b>	<b>0</b>	<b>1,940</b>	<b>0</b>	<b>-1,940</b>	<b>N/A</b>
<b>Gross Funds</b>	<b>0</b>	<b>0</b>	<b>1,940</b>	<b>0</b>	<b>-1,940</b>	<b>N/A</b>

## Expenditure by Comptroller Source Group

Table TX0-2 shows the FY 2005 proposed budget for the agency at the Comptroller Source Group level (Object Class level).

Table TX0-2

### FY 2005 Proposed Operating Budget, by Comptroller Source Group

(dollars in thousands)

Comptroller Source Group	Actual FY 2002	Actual FY 2003	Approved FY 2004	Proposed FY 2005	Change from FY 2004	Percent Change
50 Subsidies and Transfers	0	0	1,940	0	-1,940	N/A
<b>Subtotal Nonpersonal Services (NPS)</b>	<b>0</b>	<b>0</b>	<b>1,940</b>	<b>0</b>	<b>-1,940</b>	<b>N/A</b>
<b>Total Proposed Operating Budget</b>	<b>0</b>	<b>0</b>	<b>1,940</b>	<b>0</b>	<b>-1,940</b>	<b>N/A</b>

---

# Cash Reserve

Description	FY 2003 Actual	FY 2004 Approved	FY 2005 Proposed	% Change from FY 2004
Operating Budget	\$0	\$50,000,000	\$50,000,000	-

---

The purpose of Cash Reserve is to protect the District's financial stability against unforeseen expenditure needs and revenue short-falls.

This account replaced the Budgeted Reserve (RD0) in FY 2004, which was phased out because of the accumulation, by the District, of a cash reserve that exceeds a federally mandated target of 7 percent of Local fund expenditures. The reserve dollars are to be expended and obligated in accordance with Section 202(j)(2) of the District of Columbia Financial Responsibility and Management Assistance Act of 1995 (D.C. Official Code, sec. 47-392.02(j)(2)). Funds that are expended from the cash reserve must be replaced entirely the following fiscal year.

## Gross Funds

The proposed gross funds budget is \$50,000,000, representing no change from the FY 2004 approved budget. There are no FTEs for this account.

## General Fund

**Local Funds.** The proposed budget is \$50,000,000, representing no change from the FY 2004 approved budget. The proposed budget reflects a required set-aside of cash to provide a financial cushion in the absence of the budgeted reserve.

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## Funding by Source

Table CS0-1 shows the source of funding for the Cash Reserve.

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Table CS0-1

### FY 2005 Proposed Operating Budget, by Revenue Type

(dollars in thousands)

	Actual FY 2002	Actual FY 2003	Approved FY 2004	Proposed FY 2005	Change from FY 2004	Percent Change
Local Fund	0	0	50,000	50,000	0	0.0
<b>Total for General Fund</b>	<b>0</b>	<b>0</b>	<b>50,000</b>	<b>50,000</b>	<b>0</b>	<b>0.0</b>
<b>Gross Funds</b>	<b>0</b>	<b>0</b>	<b>50,000</b>	<b>50,000</b>	<b>0</b>	<b>0.0</b>

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## Expenditures by Comptroller Source Group

Table CS0-2 shows the FY 2005 proposed budget for the agency at the Comptroller Source Group level (Object Class level).

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Table CS0-2

### FY 2005 Proposed Operating Budget, by Comptroller Source Group

(dollars in thousands)

	Actual FY 2002	Actual FY 2003	Approved FY 2004	Proposed FY 2005	Change from FY 2004	Percent Change
50 Subsidies and Transfers	0	0	50,000	50,000	0	0.0
<b>Subtotal Nonpersonal Services (NPS)</b>	<b>0</b>	<b>0</b>	<b>50,000</b>	<b>50,000</b>	<b>0</b>	<b>0.0</b>
<b>Total Proposed Operating Budget</b>	<b>0</b>	<b>0</b>	<b>50,000</b>	<b>50,000</b>	<b>0</b>	<b>0.0</b>



# Master Equipment Lease/Purchase Program

## Equipment Lease Operating

Lease Payments	FY 2004 Approved	FY 2005 Proposed	% Change
Department of Public Works	\$11,795,475	\$11,602,669	-1.6%
Fire and Emergency Medical Service Dept.	\$5,385,889	\$ 5,418,615	0.61%
Metropolitan Police Department	\$6,689,930	\$5,075,025	-24.14%
Department of Parks and Recreation	\$760,834	\$ 558,025	26.66%
Department of Health	\$377,000	\$ 280,979	25.47%
DC Public Library	\$195,934	\$ 145,436	25.77%
Office of Administrative Hearings	N/A	\$ 28,149	N/A
<b>Total</b>	<b>\$25,205,062</b>	<b>\$23,108,898</b>	<b>-8.3%</b>

The purpose of the Master Equipment Lease/Purchase Program (the Program) is to provide District agencies with access to low-cost, tax-exempt financing for short-term capital equipment needs.

The program also enables the District to improve its asset/liability management by matching the useful life of the asset being financed to the amortization of the liability. Equipment financed through the program must have a useful life of at least five years. The repayment (amortization) will not exceed the useful life of the equipment being financed. The maximum financing term that may be requested is 10 years. The program finances equipment such as rolling stock (automobiles, trucks, and public safety vehicles) and computer hardware and software.

Under the District of Columbia Home Rule Act, the District may issue various obligations to finance its capital needs. Financing through the program involves a financing company paying for the purchase of equipment for the District's use, the District making lease payments to the

financing company for such equipment (which are in effect principal and interest payments on the amount financed) with the District gaining ownership of the equipment upon completion of the payments. As of September 30, 2003, the District had financed approximately \$92 million of its capital equipment needs through the program, and had approximately \$56.7 million in principal outstanding.

Timely lease payments are necessary to satisfy the District's commitments to its investors and creditors, and to maintain a good credit standing in the financial markets. Appropriations for the program are budgeted from Local funds in amounts sufficient to meet the required lease payments.

## Gross Funds

The proposed budget is \$23,108,898 representing a reduction of -8.3 percent from the approved FY 2004 budget of \$25,305,062. In FY 2004, master lease payments were included in the local budgets of the agencies participating in the Master Lease program. The Master Lease program via Intra-District funds acquired these funds. A new agency, Equipment Lease Operating, was formed to centralize master lease

payments in one agency. There are no FTEs for this agency.

## General Funds

**Local Funds.** The proposed budget is \$23,108,898 representing a reduction of -8.3 percent from the approved FY 2004 budget.

Master Equipment Lease represents lease (principal and interest) payments associated with the financing of the program.

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## Funding by Source

Table ELO-1 shows the source(s) of funding by fund type for the Master Equipment Lease/Purchase Program.

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Table ELO-1

### FY 2005 Proposed Operating Budget, by Revenue Type

(dollars in thousands)

Appropriated Fund	Actual FY 2002	Actual FY 2003	Approved FY 2004	Proposed FY 2005	Change from FY 2004	Percent Change
Local Fund	0	0	25,205	23,109	-2,096	-8.3
<b>Total for General Fund</b>	<b>0</b>	<b>0</b>	<b>25,205</b>	<b>23,109</b>	<b>-2,096</b>	<b>-8.3</b>
<b>Gross Funds</b>	<b>0</b>	<b>0</b>	<b>25,205</b>	<b>23,109</b>	<b>-2,096</b>	<b>-8.3</b>

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## Expenditures by Comptroller Source Group

Table ELO-2 shows the FY 2005 proposed budget for the agency at the Comptroller Source Group level (Object Class level).

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Table ELO-2

### FY 2005 Proposed Operating Budget, by Comptroller Source Group

(dollars in thousands)

Comptroller Source Group	Actual FY 2002	Actual FY 2003	Approved FY 2004	Proposed FY 2005	Change from FY 2004	Percent Change
80 Debt Service	0	0	25,205	23,109	-2,096	-8.3
<b>Subtotal Nonpersonal Services (NPS)</b>	<b>0</b>	<b>0</b>	<b>25,205</b>	<b>23,109</b>	<b>-2,096</b>	<b>-8.3</b>
<b>Total Proposed Operating Budget</b>	<b>0</b>	<b>0</b>	<b>25,205</b>	<b>23,109</b>	<b>-2,096</b>	<b>-8.3</b>

# Emergency and Contingency Reserve Funds

Description	FY 2003 Actual	FY 2004 Approved	FY 2005 Proposed	% Change from FY 2004
Operating Budget	\$0	\$0	\$0	0

The purpose of the Emergency and Contingency Reserve Funds is to maintain the required fund balances established under section 450A of the District of Columbia Home Rule Act (D. C. Official Code, sec. 1-204.50a) for each fiscal year. The Emergency and Contingency Reserve funds were established to provide for nonrecurring or unforeseen needs that arise during the fiscal year.

These funds are allocated to Emergency and Contingency Cash Reserves Funds for the District of Columbia.

## Gross Funds

This fund will be budgeted on an as needed basis.

## General Funds

**Local Funds.** There is no expenditure line item for these funds.

## Programs

For FY 2005, the District is requesting the adoption of several changes to these funds. Significant changes include:

- Modifying the calculation of the emergency and contingency funds by using prior year actual expenditure from local funds as defined in the annual CAFR and removing from the calculation of actual expenditures

those expenditures related to payment of debt service.

- Changing the overall percentage requirement to 6.0 percent from 7.0 percent (Emergency Reserve fund at 2.0 percent and Contingency Reserve fund at 4.0 percent).
- Changing the replenishment requirements to two years from the current one year requirement, with no less than 50 percent replenished in the first year.

Please refer to the Financial Plan and the Comprehensive Financial Management Policy chapters for additional information.

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## Funding by Source

Table SV0-1 shows the source of funding for Emergency and Contingency Reserves Funds.

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Table SV0-1

### FY 2005 Proposed Operating Budget, by Revenue Type

(dollars in thousands)

Appropriated Fund	Actual FY 2002	Actual FY 2003	Approved FY 2004	Proposed FY 2005	Change from FY 2004	Percent Change
Local Fund	0	0	0	0	0	0.0
<b>Total for General Fund</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>
<b>Gross Funds</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>

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## Expenditure by Comptroller Source Group

Table SV0-2 shows the FY 2005 proposed budget for the agency at the Comptroller Source Group level (Object Class level).

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Table SV0-2

### FY 2005 Proposed Operating Budget, by Comptroller Source Group

(dollars in thousands)

Comptroller Source Group	Actual FY 2002	Actual FY 2003	Approved FY 2004	Proposed FY 2005	Change from FY 2004	Percent Change
50 Subsidies and Transfers	0	0	0	0	0	0.0
<b>Subtotal Nonpersonal Services (NPS)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>
<b>Total Proposed Operating Budget</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>

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# Inaugural Expenses

<b>Description</b>	<b>FY 2003 Actual</b>	<b>FY 2004 Approved</b>	<b>FY 2005 Proposed</b>	<b>% Change from FY 2004</b>
Operating Budget	\$0	\$0	\$0	-

---

Inaugural Expenses is designated for the federal payment of costs that will be incurred by the District during the 2005 Presidential Inauguration.

The expenses for this budget activity include: (1) police protection, (2) traffic and crowd patrol, (3) fire protection and inspection, (4) emergency ambulance service, (5) medical services, (6) health inspections, (7) cleanup activities, (8) construction of inaugural stands, (9) securing man-holes and installing and removing poles and cables along parade route, (10) portable water and portable toilets, and (11) the District Command Center.

The District is requesting a federal payment of \$10 million for inaugural expenses based on prior year experience and anticipated cost increases associated with additional security demands in the post-September 11 environment.



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# Pay-As-You-Go Capital Fund

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<b>Description</b>	<b>FY 2003 Actual</b>	<b>FY 2004 Approved</b>	<b>FY 2005 Proposed</b>	<b>% Change from FY 2004</b>
Operating Budget	\$0	\$0	\$6,531,000	N/A

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The mission is to provide an additional funding source and offset general obligation borrowing for capital-related projects.

The Mayor can request use of the funds following the determination and certification by the Chief Financial Officer (CFO) that the funds are necessary for the designated purpose.

The Mayor's submission to the Council shall be pursuant to the requirements detailed in the FY 2005 Budget Support Act of 2004 Title I of D.C. Bill 15-768.

## Gross Funds

This is newly established in FY 2005. The gross budget is \$6,531,000. This amount represents all Local funds. There are no FTEs supported by the funds.

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## Funding by Source

Table PA0-1 shows the source of funding for Pay-As-You-Go Capital Fund.

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Table PA0-1

### FY 2005 Proposed Operating Budget, by Revenue Type

(dollars in thousands)

Appropriated Fund	Actual FY 2002	Actual FY 2003	Approved FY 2004	Proposed FY 2005	Change from FY 2004	Percent Change
Local Fund	0	0	0	6,531	6,531	N/A
<b>Total for General Fund</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6,531</b>	<b>6,531</b>	<b>N/A</b>
<b>Gross Funds</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6,531</b>	<b>6,531</b>	<b>N/A</b>

\*Percent change is based on whole dollars.

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## Expenditure by Comptroller Source Group

Table PA0-2 shows the FY 2005 proposed budget for the agency at the Comptroller Source Group level (Object Class level).

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Table PA0-2

### FY 2005 Proposed Operating Budget, by Comptroller Source Group

(dollars in thousands)

Comptroller Source Group	Actual FY 2002	Actual FY 2003	Approved FY 2004	Proposed FY 2005	Change from FY 2004	Percent Change
50 Subsidies and Transfers	0	0	0	6,531	6,531	N/A
<b>Subtotal Nonpersonal Services (NPS)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6,531</b>	<b>6,531</b>	<b>N/A</b>
<b>Total Proposed Operating Budget</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6,531</b>	<b>6,531</b>	<b>N/A</b>

\*Percent change is based on whole dollars.



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# Pay-As-You-Go Contingency Funds

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<b>Description</b>	<b>FY 2003 Actual</b>	<b>FY 2004 Approved</b>	<b>FY 2005 Proposed</b>	<b>% Change from FY 2004</b>
Operating Budget	\$0	\$0	\$43,137,000	N/A

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The mission of the contingency account is to set aside pay-as-you-go funds in an effort to reduce the rate of spending growth in the Government of the District of Columbia.

Funds were cut from designated agency budgets and allocated to this account. The funds may be made available to designated agencies if they can demonstrate a need and meet the criteria established by the District of Columbia Council. The Mayor can request use of the funds following the determination and certification by the Chief Financial Officer (CFO) that the funds are necessary for the designated purpose.

The Mayor's submission to the Council shall be pursuant to the requirements detailed in the Fiscal Year 2005 Budget Support Act of 2004 Title I of D. C. Bill 15-768.

## Gross Funds

This is newly established in FY 2005. The gross budget is \$43,137,000. This represents all Local funds. There are no FTEs supported by the funds.

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## Funding by Source

Table CN0-1 shows the source of funding for Pay-As-You-Go Contingency Funds.

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Table CN0-1

### FY 2005 Proposed Operating Budget, by Revenue Type

(dollars in thousands)

Appropriated Fund	Actual FY 2002	Actual FY 2003	Approved FY 2004	Proposed FY 2005	Change from FY 2004	Percent Change
Local Fund	0	0	0	43,137	43,137	N/A
<b>Total for General Fund</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>43,137</b>	<b>43,137</b>	<b>N/A</b>
<b>Gross Funds</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>43,137</b>	<b>43,137</b>	<b>N/A</b>

\*Percent Change is based on whole dollars.

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## Expenditure by Comptroller Source Group

Table CN0-2 shows the FY 2005 proposed budget for the agency at the Comptroller Source Group level (Object Class level).

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Table CN0-2

### FY 2005 Proposed Operating Budget, by Comptroller Source Group

(dollars in thousands)

Comptroller Source Group	Actual FY 2002	Actual FY 2003	Approved FY 2004	Proposed FY 2005	Change from FY 2004	Percent Change
50 Subsidies and Transfers	0	0	0	43,137	43,137	N/A
<b>Subtotal Nonpersonal Services (NPS)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>43,137</b>	<b>43,137</b>	<b>N/A</b>
<b>Total Proposed Operating Budget</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>43,137</b>	<b>43,137</b>	<b>N/A</b>

\*Percent Change is based on whole dollars.

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# Revised Revenue Estimate Contingency Priority

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Description	FY 2003 Actual	FY 2004 Approved	FY 2005 Proposed	% Change from FY 2004
Operating Budget	\$0	\$0	\$0	N/A

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This account will be used only if the Chief Financial Officer for the District of Columbia certifies through a revised revenue estimate that funds are available from Local funds. The funds shall be expended as provided in the Contingency for Recordation and Transfer Tax Reduction and the Office of Property Management and Library Expenditures Act of 2004, approved by the Council of the District of Columbia (Bill 15-768), including up to \$2,000,000 to the Office of Property Management, and up to \$1,200,000 to the District of Columbia Public Library.

The first \$29,736,000 of certified annual revenue that exceeds the annual revenue estimate incorporated in the approved financial plan and budget shall reduce, in increments of .1%, the deed and recordation tax from 1.5% to 1.3%. If there are sufficient funds remaining, the Office of Property Management shall receive up to \$2,000,000 for swing space and the D. C. Public Library shall receive up to \$1,200,000 for extended library hours.

The Recordation and Transfer Tax Reduction requirements are detailed in the Fiscal Year 2005 Budget Support Act of 2004 Title I of D. C. Bill 15-768.

